Department of Labor and Industries Employment Standards Program Farm Labor Contracting Section PO Box 44511 Olympia WA 98504-4511 Phone (360) 902-5315

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# FARM LABOR CONTRACTOR REGISTRATION FACT SHEET

What is a Farm Labor Contractor?

A Farm Labor Contractor is an individual, firm, partnership, association, corporation or government agency that, for a fee, recruits, solicits, employs, supplies, transports, or hires agricultural workers.

Agricultural workers are employed growing, producing or harvesting farm or nursery products, or in the forestation or reforestation of lands.

[See Chapter 19.30 RCW, Farm Labor Contractors (form F700-028-000), and Chapter 296-310 WAC, Farm Labor Contracting Rules (form F700-061-000).]

#### What is required of Farm Labor Contractors?

# **□** Washington State Master Business License

All businesses applying for a Farm Labor Contractor license must first obtain a Washington State Master Business License through the Department of Licensing (DOL). A Uniform Business Identifier Number (UBI Number) will be issued for the business. If a Master Business Application (form BLS-700-028 MBA) is needed, contact the Department of Licensing in Olympia directly at (360) 664-1400, or call our office at (360) 902-5315.

## **☐** Washington State Farm Labor Contractor License

Farm Labor Contractors must apply to the Department of Labor and Industries (L&I) for a license. The license has to be carried at all times, shown to persons with whom they contract and needs to be renewed each year.

Annual License Fees			
Farm Labor Contracting		\$35	
Forestation/Reforestation		\$100	

## **☐** Tax Compliance Certifications

Prior to the submission of the Farm Labor Contractor Application (form F700-014-000), Tax Compliance Certification forms must be completed by the Internal Revenue Service and the appropriate agencies in the state of Washington (form F700-098-000 Internal Revenue Service, F700-099-000 Department of Employment Security, F700-100-000 Department of Revenue). Contact information (addresses and fax numbers), are included on each compliance form to assist contractors with submitting these forms to the appropriate agencies for certification. All Farm Labor Contractor applicants must submit these completed Tax Compliance Certification forms, even if there is no plan to hire employees.

## **□** Surety Bond

To ensure payment of workers' wages, the Farm Labor Contractor must obtain a surety bond, assignment of account or time deposit, or a cash deposit (form F700-066-000 Farm Labor Contractor's Bond, F700-060-000 Farm Labor Assignment of Account or Time Deposit). The amount of the security must be displayed in a conspicuous place to farm workers and made available to employers. The amount of the security depends upon the number of employees the contractor wishes to hire.

Number of Employees	<b>Annual Amount of Security</b>
1 — 10	\$5,000
11 — 50	\$10,000
51 — 100	\$15,000
More than 100	\$20,000

If the Department is notified that a surety bond or other security is impaired or becomes insufficient, the Farm Labor Contractor's license will be suspended immediately.

# Signed Employment Agreement Form for Each Worker

Registered Farm Labor Contractors must give a signed form to each worker that explains the terms and conditions of employment and the worker's rights under the law (form F700-046-000, Agreement-Farm Labor Contractor & Workers). Additionally, workers need to be provided an information sheet titled "Rights of Workers-Farm Labor", which outlines the specific laws that govern Farm Labor Contractors and their workers (form F700-067-000). Forms are available from L&I in both English and Spanish (forms in Spanish end with the number 999).

#### **Vehicle Insurance**

All vehicles used to transport workers must be insured against personal or property damage. If the Farm Labor Contractor wishes to transport workers, a Certificate of Insurance must be provided to L&I at the time the Farm Labor Contractor license is applied for. If the Farm Labor Contractor is licensed to transport workers and lets the vehicle insurance lapse or the policy is canceled in any way, the Farm Labor Contractor's license will be suspended by the Department.

The minimum coverage for public liability and property damage insurance for each single occurrence and for each vehicle used to transport workers must be in the following amounts:

Minimum Insurance Coverage Amounts			
\$50,000		Injury or damage to property; and	
\$100,000	_	Injury or damage, including death, to any one person; and	
\$500,000	_	Injury or damage, including death, to more than one person.	

# **Payroll Records**

Registered Farm Labor Contractors must keep payroll records and provide them upon request. Each time payment is made from a Farm Labor Contractor, the worker has to be furnished with a written statement itemizing the total payment including a description of each deduction made, the hours worked, the rate(s) of pay and pieces done if on a piece rate basis. All agricultural workers, regardless of age, must be paid at least the state minimum wage.

#### Are there penalties?

A violation of the Farm Labor Contractor law is considered a misdemeanor, punishable by a maximum fine of \$5,000 or imprisonment in the county jail for a maximum of six months, or both.

A Farm Labor Contractor's license may be revoked, denied or suspended for failure to comply with the law.

## Who is not covered under the Farm Labor Contractor laws?

The Farm Labor Contractor laws do not apply to the following employers and employees:

- Employees of the Department of Employment Security or their agents;
- Common carriers or their full-time, regular employees;
- Anyone who hires, employs or transports agricultural employees for only one employer and who is working on regular wages rather than on a commission or fee-per-worker basis;
- Non-profit corporations.

#### For further information contact:

Department of Labor and Industries **Employment Standards Program** Farm Labor Contracting Section

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